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C O N F I D E N T I A L KUWAIT 000482

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DEPARTMENT NEA/ARPI

E.O. 12958: DECL: 01/24/2016
TAGS: [PTER](#) [PGOV](#) [PREL](#) [XF](#) [KU](#) [KTFN](#)
SUBJECT: DEMARCHE DELIVERED--INVIGORATING THE CASH COURIER
DISCUSSION AT THE FATF

REF: A. STATE 19262

[1](#)B. 05 KUWAIT 5082
[1](#)C. 05 KUWAIT 4741
[1](#)D. 05 KUWAIT 4717

Classified By: DCM Matthew Tueller. Reasons 1.4 (b) and (d)

[1](#)1. (SBU) On February 8, Econoff delivered ref A points to Talal Al-Sayegh, Head of Anti-Money Laundering at the Central Bank of Kuwait. Points were also passed to U.S. Customs Advisor for officials at the Kuwait General Administration of Customs (KGAC). According to Al-Sayegh, the GOK, although not a direct FATF member, will attend the plenary as an observer with the GCC delegation (FATF member organization). Al-Sayegh will be accompanied by two KGAC officials, Khalid Al-Moussa (Airport Director) and Ali Saleh (Head of Investigations) and a representative from the Ministry of Social Affairs and Labor (likely to be Nasser Al-Ammar--head of Charities Oversight Office).

[1](#)2. (C) Al-Sayegh was appreciative of the ref A points and welcomed the opportunity to discuss them further with USG interlocutors in South Africa. He also pointed out that KGAC delegation members will be able to provide an update on the latest GOK efforts to implement the provisions of the MENA/FATF cash courier paper. U.S. Customs Advisor reports that there has been no progress on fully implementing the country's standing cash inbound policy, including the printing of declaration forms at all entry points.

[1](#)3. (C) Al-Sayegh noted that enactment of a cash outbound declaration/disclosure policy, although under consideration by the GOK National Committee to Combat Money Laundering and Terrorist Financing, ultimately requires a Finance Ministry decree authorizing the policy. Al-Sayegh also pointed out that the Kuwait Financial Intelligence Unit (FIU), despite its administrative and legal dependency on the Public Prosecutor's Office, is authorized by the PPO to review any available KGAC data on cash declarations and vice versa.

Comment:

[1](#)4. (C) The GOK is an active supporter of the MENA/FATF, as demonstrated recently by KGAC's contributions to the MENA/FATF cash courier paper, its December AML conference, and the Central Bank's December training seminar for MENA/FATF country assessors held in Kuwait. However, the GOK, despite tangible commitments in support of our CT efforts, has been slow in adopting and implementing policies to counter cash couriers. The amendments to the 2002 AML law have yet to be finalized, although the GOK has offered to share a copy of the revisions with the Embassy prior to its approval by the Council of Ministers (cabinet). Direct

engagement with GOK officials at the FATF plenary will offer another opportunity to underscore USG concerns. (Note: See refs B-D for past reporting on these issues.)

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LeBaron